

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|-------------------|---------|-------------------|---------|
| | FY 2013-14 | | FY 2014-15 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | See below | | See below | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | See below | | See below | |

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 423 would direct the director of the Department of Agriculture to commission licensed veterinarians as animal cruelty investigation agents. The investigation agents would act as agents of the state and be assigned to cases when a law enforcement agency requested assistance regarding the condition, care and disposition of seized livestock. The agency is directed to furnish or contract for training and certification services for investigation agents. LB 423 specifies that the department shall not assume any duties for enforcement of violations, or responsibility for the care of affected livestock, beyond the authority of the Department.

The agency response assumes that 42 licensed veterinarians would be trained as animal cruelty investigation agents and be reimbursed for time spent at training in addition to their training expenses. The agency response also assumes that 120 requests for assistance would be received annually, that agents would be reimbursed for time spent in investigations, and that a staff position would be required to coordinate case information and work with investigation agents. The agency cost estimate totals \$718,330 General Funds in FY13-14 and \$208,710 General Funds in FY14-15.

It would appear that the agency response assumes the creation of a very extensive program and factors in costs that are not currently mandated in the bill. LB 423 mandates that training costs be provided by the Department, but does not provide that individuals training to be investigation agents, or acting as investigation agents, be reimbursed for their time. The Department's assumption that trainees be paid \$100 per hour for their time results in a FY13-14 cost of \$504,000. The training of 42 agents for an estimated 120 requests for assistance per year would result in an annual caseload of 2.85 cases per agent.

When costs for hourly reimbursement and department staffing are removed from the estimate, it appears that the cost to train an investigation agent would be approximately \$4,000 per agent. If 6 to 10 individuals were trained as investigation agents, total costs would be \$24,000 to \$40,000. As currently written, there are no provisions in LB 423 that allows investigation agents be reimbursed for their time or travel expenses. As a result, costs to the agency in FY14-15 are estimated to be minimal in nature, but there would be some ongoing costs to train new investigation agents as needed.

Section 6 of LB 423 would establish that the district court order owners of seized livestock to post bond or security in an amount determined by the court to reimburse all reasonable costs of care incurred by the agency that took custody of the livestock. It is estimated that these provisions may result in reimbursements made to political subdivisions that incur costs after taking custody of livestock in cruelty, neglect and abandonment cases.

| | | | |
|--|-----|---|-----------------|
| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | | |
| LB: 423 | AM: | AGENCY/POLT. SUB: Department of Agriculture | |
| REVIEWED BY: David Spatz | | DATE: February 11, 2013 | PHONE: 471-4179 |
| COMMENTS: Concur with Department of Agriculture's analysis and estimate of increased expenditures fiscal impact needed to commission animal cruelty investigation agents who are licensed veterinarians. | | | |

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 423 FISCAL NOTE

State Agency OR Political Subdivision Name: (2) Department of Agriculture

Prepared by: (3) Robert Storant Date Prepared: (4) 02/05/2013 Phone: (5) 402-471-6821

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2013-14</u> | | <u>FY 2014-15</u> | |
|---------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | <u>718,330</u> | <u> </u> | <u>208,710</u> | <u> </u> |
| CASH FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| FEDERAL FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| OTHER FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u>718,330</u> | <u> </u> | <u>208,710</u> | <u> </u> |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The intent of LB 423 is to the extent feasible and practicable, the department may assist local authorities in the resolution of incidents of livestock cruelty, abandonment, or neglect under the Livestock Animal Welfare Act. The department shall not assume any duties for enforcement of violations of the act nor responsibility for the care and disposition of affected livestock animals beyond the department's responsibility and authority regarding livestock health.

The director shall commission animal cruelty investigation agents who are licensed veterinarians. Duties are outlined in section 3 (1) of the bill along with the commission time frame. During the first year the department proposes to recruit veterinarian agents across the state and provide necessary training to get them commissioned. The fiscal year FY 2013-14 estimated expenditures reflects this cost. Once the program is up and running FY 2014-15 reflects ongoing operating cost based on a projected average of 10 calls for assistance per month. The department is requesting a 1.0 FTE Administrative Assistant to the State Veterinarian to take calls, communicate with commissioned investigation agents, and to handle case file information. In addition to salary and benefit cost there is estimated \$5,000 operating cost, \$2,000 travel cost and one time office setup cost of \$2,000.

It will be necessary to have veterinarian agents regionally located across the State. Since they have other professional business obligations that could affect their availability it will be necessary to have alternative agents regionally located to respond. There may not be a qualified veterinarians practicing in each county, so it was decided to use health districts to locate agents for purposes of this act. There are 21 health districts across the State. State statute authorizes the creation of health districts based on population. If two agents are commissioned for each district this would require commissioning 42 agents. The fiscal analysis includes paying \$100 per hour for training and services rendered. This per hour cost is based on current rate being charged by veterinarians for professional services. It is unknown if this rate per hour will enable the department to attract the suggested number of agents.

Training cost to be commissioned is approximately \$1,900 per individual. This includes three courses, each a week in duration. There will be tuition cost, meal, lodging and mileage travel costs, meeting room cost and projected \$100/hr cost for each person trained. The department is looking at each course being offered at two or three locations across the state. An estimated cost for training and certification would be \$659,000. This includes trainer cost of \$79,800, lodging cost of \$38,810 for an estimated 504 nights of lodging, meal cost estimate of \$19,150 (4 days at \$38.00/per day), meeting room expenses \$3,000 and mileage cost (assuming 200 mile round trip per participate) of \$14,240. By far the biggest cost is travel time and meeting participation time for 42 individuals to be trained. They will be away from their normal practice work. At the projected \$100/hr for three weeks this cost would be \$504,000.

The cost to handle approximately 120 case investigations is estimated to be \$153,876. The initial investigation with travel time is estimated to be eight hours. Estimated cost at \$100/hr. plus mileage would be approximately \$109,560. From the initial investigation it is estimated approximately 10% will require followup and more detailed case work be performed on. This could add an additional 2-3 days of time. Estimated cost is \$34,716. Several of the followup cases will also require at least one day testifying in a court of law that is estimated to cost \$9,600.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2013-14</u> | <u>2014-15</u> |
|-----------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>13-14</u> | <u>14-15</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Administrative Assistant II | 1.0 | 1.0 | 36,470 | 36,470 |
| Benefits..... | | | 13,860 | 13,860 |
| Operating..... | | | 591,800 | 140,970 |
| Travel..... | | | 74,200 | 17,410 |
| Capital outlay..... | | | 2,000 | |
| Aid..... | | | | |
| Capital improvements..... | | | | |
| TOTAL..... | | | 718,330 | 208,710 |